

## ATTACHMENT B

### AMENDMENT NO. ONE TO ON-CALL MAINTENANCE/REPAIR SERVICES AGREEMENT WITH GCI CONSTRUCTION, INC. FOR ON-CALL WATER, WASTEWATER AND STORM DRAIN SERVICES

THIS AMENDMENT NO. ONE TO ON-CALL MAINTENANCE/REPAIR SERVICES AGREEMENT ("Amendment No. One") is made and entered into as of this 4th day of November, 2025 ("Effective Date"), by and between the CITY OF NEWPORT BEACH, a California municipal corporation and charter city ("City"), and GCI CONSTRUCTION, INC., a California corporation ("Contractor"), whose address is 1031 Calle Recodo, Suite D, San Clemente, CA 92673, and is made with reference to the following:

#### RECITALS

- A. On May 23, 2023, City and Contractor entered into an On-Call Maintenance/Repair Services Agreement (Contract No. C-9315-1) ("Agreement") to engage Contractor to perform on-call maintenance and/or repair services for water, wastewater and storm drains ("Project").
- B. Since entering into the Agreement, Contractor was asked to perform a higher volume of Work than was originally anticipated.
- C. The parties desire to enter into this Amendment No. One to increase the total compensation for the higher volume of work, and to update the insurance requirements.

**NOW, THEREFORE**, it is mutually agreed by and between the undersigned parties as follows:

#### 1. **COMPENSATION TO CONTRACTOR**

Section 4.1 of the Agreement is amended in its entirety and replaced with the following: "City shall pay Contractor for the Services on a time and expense not-to-exceed basis in accordance with the provisions of this Section and the Letter Proposal and the Schedule of Billing Rates attached hereto as Exhibit B and incorporated herein by reference. Except as otherwise provided herein, no rate changes shall be made during the term of this Agreement without the prior written approval of the City's Utility Director or designee. Contractor's compensation for all Services performed in accordance with this Agreement, including all reimbursable items, shall not exceed **Two Million Five Hundred Thousand Dollars and 00/100 (\$2,500,000.00)** without prior written amendment to the Agreement."

The total amended compensation reflects Contractor's additional compensation for additional Services to be performed in accordance with this Amendment No. One, including all reimbursable items and subconsultant fees, in an amount not to exceed **One Million Dollars and 00/100 (\$1,000,000.00)**.

## **2. INSURANCE**

As of this Effective Date of this Amendment No. One, Exhibit C of the Agreement shall be deleted in its entirety and replaced with Exhibit C, attached hereto and incorporated herein by reference. Any reference to Exhibit C in the Agreement shall hereafter refer to Exhibit C attached hereto.

## **3. INTEGRATED CONTRACT**


Except as expressly modified herein, all other provisions, terms, and covenants set forth in the Agreement shall remain unchanged and shall be in full force and effect.

**[SIGNATURES ON NEXT PAGE]**

**IN WITNESS WHEREOF**, the parties have caused this Amendment No. One to be executed on the dates written below.

**APPROVED AS TO FORM:  
CITY ATTORNEY'S OFFICE**

Date: 10/21/25

By:   
Aaron C. Harp  
City Attorney

**ATTEST:**

Date: \_\_\_\_\_

By: \_\_\_\_\_  
Lena Shumway  
City Clerk

**CITY OF NEWPORT BEACH,**  
a California municipal corporation

Date: \_\_\_\_\_

By: \_\_\_\_\_  
Joe Stapleton  
Mayor

**CONTRACTOR: GCI CONSTRUCTION,**  
INC., a California corporation

Date: 11/05/2025

By:   
Alan Aristondo  
Chief Executive Officer

Date: 11/05/2025

By:   
Richard Kay  
Chief Financial Officer

**[END OF SIGNATURES]**

Attachments:      Exhibit C – Insurance Requirements

**EXHIBIT C**  
**INSURANCE REQUIREMENTS – MAINTENANCE/REPAIR/JANITORIAL**  
**SERVICES**

1. Provision of Insurance. Without limiting Contractor's indemnification of City, and prior to commencement of Work, Contractor shall obtain, provide and maintain at its own expense during the term of this Agreement, policies of insurance of the type and amounts described below and in a form satisfactory to City. Contractor agrees to provide insurance in accordance with requirements set forth here. If Contractor uses existing coverage to comply and that coverage does not meet these requirements, Contractor agrees to amend, supplement or endorse the existing coverage.
2. Acceptable Insurers. All insurance policies shall be issued by an insurance company currently authorized by the Insurance Commissioner to transact business of insurance in the State of California, with an assigned policyholders' Rating of A- (or higher) and Financial Size Category Class VII (or larger) in accordance with the latest edition of Best's Key Rating Guide, unless otherwise approved by the City's Risk Manager.
3. Coverage Requirements.
  - A. Workers' Compensation Insurance. Contractor shall maintain Workers' Compensation Insurance, statutory limits, and Employer's Liability Insurance with limits of at least one million dollars (\$1,000,000) each accident for bodily injury by accident and each employee for bodily injury by disease in accordance with the laws of the State of California, Section 3700 of the Labor Code.

Contractor shall submit to City, along with the certificate of insurance, a Waiver of Subrogation endorsement in favor of City, its City Council, boards and commissions, officers, agents, volunteers and employees.
  - B. General Liability Insurance. Contractor shall maintain commercial general liability insurance and, if necessary, umbrella liability insurance, with coverage at least as broad as provided by Insurance Services Office form CG 00 01, in an amount not less than two million dollars (\$2,000,000) per occurrence, four million dollars (\$4,000,000) general aggregate. The policy shall cover liability arising from premises, operations, products-completed operations, personal and advertising injury, and liability assumed under an insured contract (including the tort liability of another assumed in a business contract).
  - C. Automobile Liability Insurance. Contractor shall maintain automobile insurance at least as broad as Insurance Services Office form CA 00 01 covering bodily injury and property damage for all activities of Contractor arising out of or in connection with Work to be performed under this Agreement, including coverage for any owned, hired, non-owned or

rented vehicles, in an amount not less than one million dollars (\$1,000,000) combined single limit each accident.

D. Umbrella or Excess Liability Insurance. Contractor shall obtain and maintain an umbrella or excess liability insurance policy with limits of not less than one million dollars (\$1,000,000) that will provide bodily injury, personal injury and property damage liability coverage at least as broad as the primary coverages set forth above. Such policy or policies shall include the following terms and conditions:

- A drop down feature requiring the policy to respond in the event that any primary insurance limits are exhausted by paid claims;
- Pay on behalf of wording as opposed to reimbursement;
- Concurrence of effective dates with primary policies;
- Policies shall "follow form" to the underlying primary policies; and
- Insureds under primary policies shall also be insureds under the umbrella or excess policies.

E. Pollution Liability Insurance. If required, Contractor shall maintain a policy providing contractor's pollution liability ("CPL") coverage with a total limit of liability of no less than one million dollars (\$1,000,000) per loss and two million dollars (\$2,000,000) in the aggregate per policy period. Claims-made policies require a 5-year extended reporting period. The CPL policy shall include coverage for cleanup costs, third-party bodily injury and property damage, including loss of use of damaged property or of property that has not been physically injured or destroyed, resulting from pollution conditions caused by contracting operations. Coverage as required in this paragraph shall apply to sudden and non-sudden pollution conditions resulting from the escape or release of smoke, vapors, fumes, acids, alkalis, toxic chemicals, liquids, or gases, waste materials, or other irritants, contaminants, or pollutants. The CPL shall also provide coverage for transportation and off-Site disposal of materials. The policy shall not contain any provision or exclusion (including any so-called "insured versus insured" exclusion or "cross-liability" exclusion) the effect of which would be to prevent, bar, or otherwise preclude any insured or additional insured under the policy from making a claim which would otherwise be covered by such policy on the grounds that the claim is brought by an insured or additional insured against an insured or additional insured under the policy.

4. Other Insurance Requirements. The policies are to contain, or be endorsed to contain, the following provisions:

A. Waiver of Subrogation. All insurance coverage maintained or procured pursuant to this Agreement shall be endorsed to waive subrogation

against City, its City Council, boards and commissions, officers, agents, volunteers and employees or shall specifically allow Contractor or others providing insurance evidence in compliance with these requirements to waive their right of recovery prior to a loss. Contractor hereby waives its own right of recovery against City, and shall require similar written express waivers from each of its subcontractors.

- B. Additional Insured Status. All liability policies including general liability, products and completed operations, excess liability, pollution liability, and automobile liability, if required, shall provide or be endorsed to provide that City, its City Council, boards and commissions, officers, agents, volunteers and employees shall be included as insureds under such policies.
  - C. Primary and Non Contributory. All liability coverage shall apply on a primary basis and shall not require contribution from any insurance or self-insurance maintained by City.
  - D. Notice of Cancellation. All policies shall provide City with thirty (30) calendar days notice of cancellation (except for nonpayment for which ten (10) calendar days notice is required) or nonrenewal of coverage for each required coverage.
5. Additional Agreements Between the Parties. The parties hereby agree to the following:
- A. Evidence of Insurance. Contractor shall provide certificates of insurance to City as evidence of the insurance coverage required herein, along with a waiver of subrogation endorsement for workers' compensation and other endorsements as specified herein for each coverage. Insurance certificates and endorsement must be approved by City's Risk Manager prior to commencement of performance. Current certification of insurance shall be kept on file with City at all times during the term of this Agreement. The certificates and endorsements for each insurance policy shall be signed by a person authorized by that insurer to bind coverage on its behalf. At least fifteen (15) days prior to the expiration of any such policy, evidence of insurance showing that such insurance coverage has been renewed or extended shall be filed with the City. If such coverage is cancelled or reduced, Contractor shall, within ten (10) days after receipt of written notice of such cancellation or reduction of coverage, file with the City evidence of insurance showing that the required insurance has been reinstated or has been provided through another insurance company or companies. City reserves the right to require complete, certified copies of all required insurance policies, at any time.
  - B. City's Right to Revise Requirements. City reserves the right at any time during the term of the Agreement to change the amounts and types of insurance required by giving Contractor sixty (60) calendar days

advance written notice of such change. If such change results in substantial additional cost to Contractor, City and Contractor may renegotiate Contractor's compensation.

- C. Right to Review Subcontracts. Contractor agrees that upon request, all agreements with subcontractors or others with whom Contractor enters into contracts with on behalf of City will be submitted to City for review. Failure of City to request copies of such agreements will not impose any liability on City, or its employees. Contractor shall require and verify that all subcontractors maintain insurance meeting all the requirements stated herein, and Contractor shall ensure that City is an additional insured on insurance required from subcontractors. For CGL coverage, subcontractors shall provide coverage with a format at least as broad as CG 20 38 04 13.
- D. Enforcement of Agreement Provisions. Contractor acknowledges and agrees that any actual or alleged failure on the part of City to inform Contractor of non-compliance with any requirement imposes no additional obligations on City nor does it waive any rights hereunder.
- E. Requirements not Limiting. Requirements of specific coverage features or limits contained in this Section are not intended as a limitation on coverage, limits or other requirements, or a waiver of any coverage normally provided by any insurance. Specific reference to a given coverage feature is for purposes of clarification only as it pertains to a given issue and is not intended by any party or insured to be all inclusive, or to the exclusion of other coverage, or a waiver of any type. If the Contractor maintains higher limits than the minimums shown above, the City requires and shall be entitled to coverage for higher limits maintained by the Contractor. Any available insurance proceeds in excess of the specified minimum limits of insurance and coverage shall be available to the City.
- F. Self-insured Retentions. Any self-insured retentions must be declared to and approved by City. City reserves the right to require that self-insured retentions be eliminated, lowered, or replaced by a deductible. Self-insurance will not be considered to comply with these requirements unless approved by City.
- G. City Remedies for Non-Compliance. If Contractor or any subcontractor fails to provide and maintain insurance as required herein, then City shall have the right but not the obligation, to purchase such insurance, to terminate this Agreement, or to suspend Contractor's right to proceed until proper evidence of insurance is provided. Any amounts paid by City shall, at City's sole option, be deducted from amounts payable to Contractor or reimbursed by Contractor upon demand.
- H. Timely Notice of Claims. Contractor shall give City prompt and timely notice of claims made or suits instituted that arise out of or result from

Contractor's performance under this Agreement, and that involve or may involve coverage under any of the required liability policies. City assumes no obligation or liability by such notice, but has the right (but not the duty) to monitor the handling of any such claim or claims if they are likely to involve City.

- I. Contractor's Insurance. Contractor shall also procure and maintain, at its own cost and expense, any additional kinds of insurance, which in its own judgment may be necessary for its proper protection and prosecution of the Work.

**GCI CONSTRUCTION**

Effective 7/1/2025 - 6/30/2026

**EQUIPMENT OPERATED RATE SCHEDULE**

DESCRIPTION	OPERATED		
FOREMAN PICK UP TRUCK	43.00	HOUR	
CREW TRUCK	55.00	HOUR	
STAKE BED TRUCK	64.00	HOUR	
10 WHEELER DUMP TRUCK	115.00	HOUR	
SUPER 10	120.00	HOUR	130/Hr for DIR Projects
BOTTOM/SEMI END DUMP	130.00	HOUR	130/Hr for DIR Projects
LOW BED RATE	218.00	HOUR	
SKIPLOADER	202.00	HOUR	
BOBCAT	190.00	HOUR	
446D BACKHOE/LOADER	220.00	HOUR	
KOMATSU WHEEL LOADER	226.00	HOUR	
CAT 950 G LOADER	230.00	HOUR	
JD 450 WITH BOARD	213.00	HOUR	
CAT 308 EXCAVATOR	207.00	HOUR	
CAT 314 EXCAVATOR	242.00	HOUR	
CAT 325 EXCAVATOR	265.00	HOUR	
CAT 321CLCR EXCAVATOR	265.00	HOUR	
KOBELCO SK300 LC1V EXCAVATOR	300.00	HOUR	
CAT 824C DOZER	269.00	HOUR	
CASE 865/CAT 140M MOTOR GRADER	284.00	HOUR	
VACTOR VACUME TRUCK	278.00	HOUR	
ASPHALT ZIPPER	272.00	HOUR	Plus Teeth
ARROWBOARD	100.00	DAY	300/WK
MESSAGE BOARD	185.00	DAY	600/WK
WATER TRUCK	220.00	DAY	
COMPACTION WHEEL	30.00	HOUR	
COMPRESSOR W/JACKHAMMER	300.00	DAY	
2000 MULTQUIP TOWABLE GENERATOR	288.00	DAY	629/WK
HYDRAULIC BREAKER	60.00	HOUR	2000 LBS
LIGHT TOWER	138.00	DAY	
WACKER	138.00	DAY	
Zieman Trailer	30.00	HOUR	
4" trash pump & hoses	138.00	DAY	
6 x 16 Trench Box	110.00	DAY	293/WK
4 x 16 Trench Box	100.00	DAY	196/WK
8 x 24 Trench Box	66.00	DAY	638/WK

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**LABOR RATES:**

	REGULAR	OVERTIME	DBL TIME
LABORER GRADING (GROUP I)	89.65	118.97	148.28
LABORER SEWER (GROUP I)	90.28	119.87	149.47
LABORER WATER (GROUP I)	89.63	118.93	148.23
PIPELAYER GRADING (GROUP IV)	93.00	123.98	154.96
PIPELAYER SEWER (GROUP IV)	93.65	124.94	156.22
PIPELAYER WATER (GROUP IV)	92.97	123.24	154.91
OPERATOR GRADING (GROUP VIII)	126.23	169.59	212.94
OPERATOR SEWER (GROUP VIII)	127.08	170.84	214.60
OPERATOR WATER (GROUP VIII)	126.19	169.53	212.87
FOREMAN GRADING (GROUP VIII)	128.84	173.51	218.18
FOREMAN SEWER (GROUP VIII)	129.72	174.80	219.88
FOREMAN WATER (GROUP VIII)	128.80	173.45	218.10
WATER TRUCK LABORER GRADING	103.92	138.90	173.89
WATER TRUCK LABORER SEWER	104.65	139.98	175.30
WATER TRUCK LABORER WATER	103.88	138.86	173.83

MARK UP ON LABOR 20%

MARK UP ON EQUIPMENT/MATERIAL 15%

MARK UP ON SUBCONTRACTOR 5%

BOND COST IS 2.4% OF THE TOTAL CONTRACT AMOUNT

\*\*\*DIR PROPOSED RATE INCREASE FOR JULY 2026 - JUNE 2027, TBD\*\*\*